

CANADIAN GENERAL ELECTRIC COMPANY LIMITED



ANNUAL REPORT

1928

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Annual Report of the Board of Directors

for the Year ended
December 31, 1928



Canadian General Electric Company
Limited

CANADIAN GENERAL ELECTRIC COMPANY
LIMITED

AND SUBSIDIARY COMPANIES

HEAD OFFICES

212-218 KING STREET WEST, TORONTO, ONT.

BRANCH OFFICES

HALIFAX, N.S.	COBALT, ONT.
SYDNEY, N.S.	SOUTH PORCUPINE, ONT.
ST. JOHN, N.B.	WINNIPEG, MAN.
MONTREAL, QUE.	CALGARY, ALTA.
QUEBEC, QUE.	EDMONTON, ALTA.
OTTAWA, ONT.	NELSON, B.C.
HAMILTON, ONT.	VANCOUVER, B.C.
LONDON, ONT.	VICTORIA, B.C.
WINDSOR, ONT.	

WORKS

CANADIAN GENERAL ELECTRIC CO., LIMITED	
PETERBORO, ONT.	TORONTO, ONT.

EDISON MAZDA LAMP WORKS
TORONTO, ONT.

CANADIAN ALLIS-CHALMERS, LIMITED	
TORONTO, ONT.	MONTREAL, QUE.

ARCHITECTURAL BRONZE AND IRON WORKS
TORONTO, ONT.

CANADIAN GENERAL ELECTRIC COMPANY LIMITED

DIRECTORS

J. J. ASHWORTH	SIR HERBERT HOLT
GEORGE W. BEARDMORE	W. L. MATTHEWS
J. H. BLACK	E. G. PATTERSON
H. C. COX	J. A. RICHARDSON
D. C. DURLAND	HIS HON. W. D. ROSS
A. E. DYMENT	W. G. ROSS
STEPHEN HAAS	JULIAN C. SMITH

A. M. STEWART, K.C.

EXECUTIVE OFFICERS

A. E. DYMENT, Chairman of the Board
D. C. DURLAND, President
STEPHEN HAAS, Vice-President
J. J. ASHWORTH, General Manager
J. A. BREMNER, Assistant General Manager
E. I. JENKING, Treasurer
W. H. NESBITT, Secretary

BANKERS

THE BANK OF MONTREAL
THE CANADIAN BANK OF COMMERCE
THE DOMINION BANK
THE ROYAL BANK OF CANADA
GUARANTY TRUST CO. OF NEW YORK

STOCK TRANSFER AGENTS

NATIONAL TRUST CO., LIMITED, TORONTO AND MONTREAL
THE CANADIAN BANK OF COMMERCE, LONDON, ENGLAND

REGISTRARS

MONTREAL TRUST CO., TORONTO AND MONTREAL
THE CANADIAN BANK OF COMMERCE, LONDON, ENGLAND

DIRECTORS

A. E. DYMENT, CHAIRMAN OF THE BOARD.

DIRECTOR, ROYAL BANK OF CANADA.
VICE-PRESIDENT, DOMINION SUGAR CO.

D. C. DURLAND, PRESIDENT.

STEPHEN HAAS, VICE-PRESIDENT.

PRESIDENT, GEO. H. HEES, SON & CO.
DIRECTOR, ROYAL BANK OF CANADA.

J. J. ASHWORTH, GENERAL MANAGER.

GEORGE W. BEARDMORE.

PRESIDENT, BEARDMORE BELTING CO.
PRESIDENT, ACTON TANNING CO.

J. H. BLACK.

VICE-PRESIDENT, NORTHERN CANADA POWER LIMITED.
VICE-PRESIDENT AND GENERAL MANAGER, SPRUCE FALLS
POWER AND PAPER COMPANY, LIMITED.

H. C. COX

CHAIRMAN OF BOARD, CANADA LIFE ASSURANCE COMPANY.
DIRECTOR, CANADIAN BANK OF COMMERCE.

SIR HERBERT HOLT.

PRESIDENT, MONTREAL LIGHT, HEAT AND POWER
CONSOLIDATED.
PRESIDENT, ROYAL BANK OF CANADA.

W. L. MATTHEWS.

DIRECTOR, DOMINION BANK.
DIRECTOR, CONFEDERATION LIFE ASSOCIATION.

E. G. PATTERSON.

JAMES A. RICHARDSON.

DIRECTOR, CANADIAN PACIFIC RAILWAY.
PRESIDENT, JAMES RICHARDSON & SONS, LIMITED.

HIS HON. W. D. ROSS.

LIEUTENANT-GOVERNOR OF ONTARIO.
DIRECTOR, BANK OF NOVA SCOTIA.

W. G. ROSS.

PRESIDENT AND GENERAL MANAGER, ASBESTOS
CORPORATION, LIMITED.

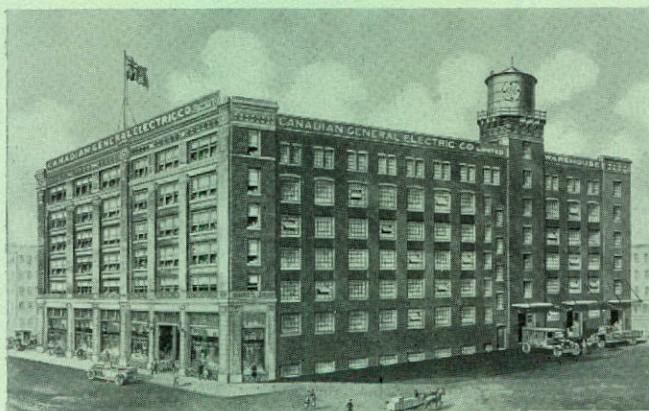
JULIAN C. SMITH.

PRESIDENT, MONTREAL TRAMWAYS COMPANY.
VICE-PRESIDENT AND GENERAL MANAGER, THE SHAWINIGAN
WATER AND POWER COMPANY.

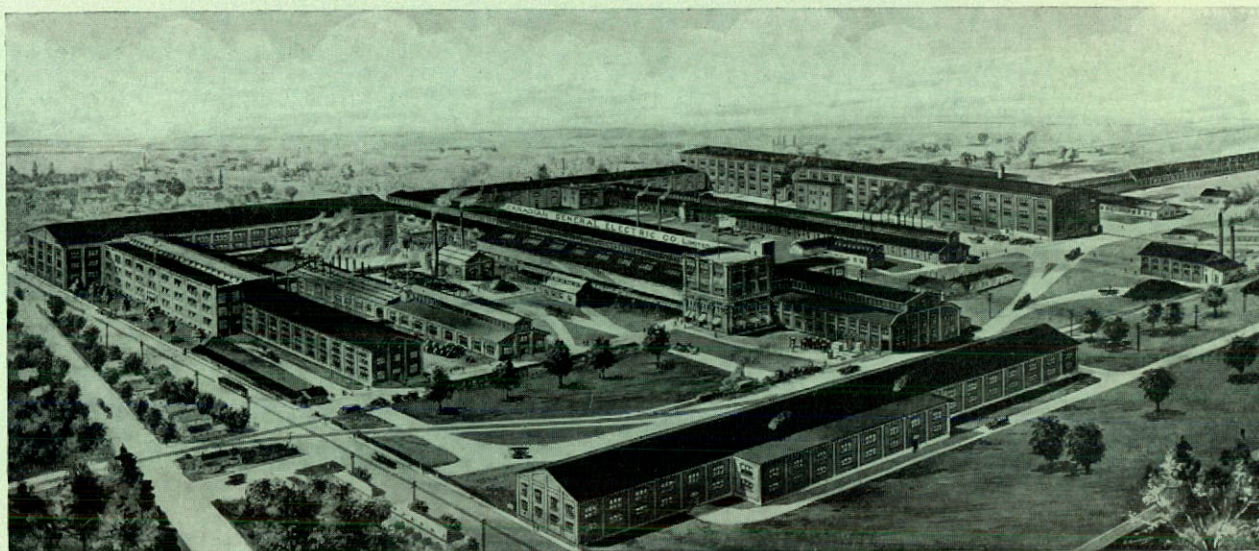
A. M. STEWART, K.C.



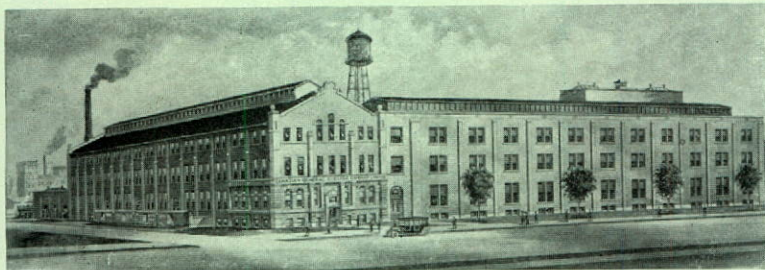
Head Office, 212 King St. W., Toronto



Warehouse and Show Rooms, 214-218 King St. W., Toronto



Main Electrical Works, Peterboro, Ont.



Edison Mazda Lamp Works, Toronto, Ont.

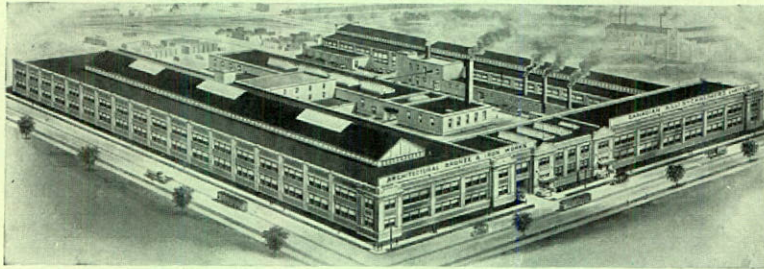
ANNUAL REPORT OF THE DIRECTORS
TO THE SHAREHOLDERS OF
CANADIAN GENERAL ELECTRIC COMPANY, LIMITED
TORONTO, CANADA. MARCH 21, 1929.

The Board of Directors submit herewith the Consolidated Balance Sheet of your Company as of December 31, 1928, and statement of Profit and Loss for the year, certified by the Company's auditors, Messrs. Price, Waterhouse and Company, Chartered Accountants.

The statement of Profit and Loss shows that profits for the year 1928, after all charges for expenses, reserves and income taxes, but before depreciation, amounted to \$4,494,665.56. From this amount there has been deducted the sum of \$800,000.00 for current depreciation, leaving a net profit of \$3,694,665.56. as compared with \$2,103,053.21 in 1927, an increase of \$1,591,612.35.

During 1928 your Company acquired a larger volume of business than in the year 1927, with a consequent increase in shipments and sales billed to customers, which, together with improvement in operating efficiency, resulted in larger net earnings. Unfilled orders at the end of the year were 16% greater than at the end of 1927.

Your Company continued during the year to install in its manufacturing plants additional machinery and equipment for the purpose of enlarging its facilities, improving the quality of product, and giving better service to customers. The sum of \$892,641.00 was expended for such



Architectural Bronze and Iron Works, Toronto, Ont.

purpose in 1928, and during the last five years this expenditure has aggregated \$3,360,000.00.

The Balance Sheet reveals total Current Assets of \$13,427,430.63, while total Current Liabilities are \$2,068,654.14, leaving a working capital of \$11,358,776.49, an increase of \$1,949,271.41 over the previous year. Dominion Government Securities held by the Company at December 31, 1928, amount to \$4,206,572.93, and Cash on Hand \$1,498,726.21, a total of \$5,705,299.14, compared with \$3,145,486.44 at December 31, 1927, representing an increase of \$2,559,812.70.

The Company's investments in securities other than Dominion Government Bonds increased by \$1,166,948.67, and amount to \$2,098,784.65. These securities have all been carefully appraised and are carried at conservative values.

Your Company has no funded debt or outstanding notes payable.

In accordance with the established practice of the Company, all inventories have been taken into the Balance Sheet at cost or market price, whichever was the lower, and adequate reserves have been provided for obsolescence and shrinkage in values. The accounts and notes receivable were carefully reviewed and reserves established to meet possible losses.

It was indicated in the Directors' Report last year that in order to bring the book value of the Company's plants and properties to a sound basis of valuation, having regard



Canadian Allis-Chalmers, Limited, Montreal, Que.

to the highly technical and rapidly developing character of the industry, it would be necessary to make further special appropriations from surplus profits. In pursuance of this policy a special appropriation of \$2,865,871.28 for reduction of property values has been made from the year's profits, in addition to the provision of \$800,000.00 for current or normal depreciation.

During 1928 your Company distributed in salaries and wages approximately \$6,000,000.00 and expended over \$13,000,000.00 for materials, supplies and equipment. In accordance with the practice of the Company purchases were made in Canada wherever possible.

The Annual Report last year described an Employees' Savings and Investment Plan which was introduced in 1927. Subscriptions in 1928 considerably increased the holdings of the employees in the Preference Stock of the Company, and the advantages to them of so convenient a method of saving, with liberal return, warrants a continuation of the plan.

Mr. James A. Richardson of Winnipeg has been elected a Director of the Company to fill the vacancy created by the resignation of Hon. R. B. Bennett.

Your Directors and Officers again take pleasure in expressing their appreciation of the loyal and co-operative services rendered by the employees of the Company during the year.

By Order of the Board of Directors,

A. E. DYMENT, Chairman.

D. C. DURLAND, President.

CANADIAN GENERAL ELECTRIC
AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET

ASSETS

Capital Assets—

Manufacturing Plants, including Land, Buildings, Machinery, Head Office and Branch Office Properties at cost.....	\$15,338,246.38
Patents and Franchises.....	1.00
Total Capital Assets.....	<u>\$15,338,247.38</u>

Investments	2,098,784.65
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Current Assets—

Inventory of Raw Materials, Supplies, Work in Pro- gress, and Finished Ma- terials, including expen- ditures on Contracts (less inventory reserves).....	\$ 6,309,375.58
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Accounts and Notes Receiv- able (less reserve for doubtful accounts).....	3,939,052.09
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Dominion Government Securities.....	4,206,572.93
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Cash.....	1,498,726.21
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\$15,953,726.81

Less Advance Payments on Contracts.....	2,526,296.18
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Total Current Assets.....	13,427,430.63
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Deferred Charges.....	72,531.70
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\$30,936,994.36

A. E. DYMENT, Chairman of the Board.
D. C. DURLAND, President

TRIC COMPANY, LIMITED

COMPANIES

SHEET, DECEMBER 31, 1928.

LIABILITIES

Capital Stock—

Authorized..... \$18,000,000.00

Issued:

Common, 188,845 Shares

par value \$50.00..... \$ 9,442,250.00

Preference, 171,155 Shares

par value \$50.00..... 8,557,750.00

\$18,000,000.00

Current Liabilities—

Accounts Payable..... \$ 1,918,896.88

Dividend on Preference Stock

Accrued..... 149,757.26

Total Current Liabilities..... 2,068,654.14

Depreciation and General Reserve..... 7,663,714.77

Surplus December 31, 1928..... 3,204,625.45

\$30,936,994.36

With our Report to the Shareholders dated March 12, 1929, appended
hereto.

PRICE, WATERHOUSE & CO.,
Auditors.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Profit for the year ended December 31,
1928, before providing for Depreciation... \$4,494,665.56

Less—

Depreciation..... 800,000.00

Net Profit for the Year..... \$3,694,665.56

Deduct—

Appropriation for Reduction of Plant
Values..... 2,865,871.28

\$ 828,794.28

Add—

Surplus as at January 1, 1928..... 2,974,873.72

\$3,803,668.00

Deduct—

Dividend on Preference Stock..... 599,042.55

Surplus at December 31, 1928..... \$3,204,625.45



Ward Street Works, Toronto, Ont.
Wiring Devices—"Hotpoint" Appliances—"Radiolas"

PRICE, WATERHOUSE & CO.
CHARTERED ACCOUNTANTS

Royal Bank Building,
Toronto, March 12, 1929.

To the Shareholders
of the Canadian General Electric Company, Limited.

We have examined the books and accounts of the Canadian General Electric Company, Limited, for the year ending December 31, 1928, and have obtained all the information and explanations which we required.

The charges during the year to the Property Accounts represent only actual additions, extensions or permanent improvements, and a provision of \$800,000.00 has been made from the operations of the year for depreciation of Plants.

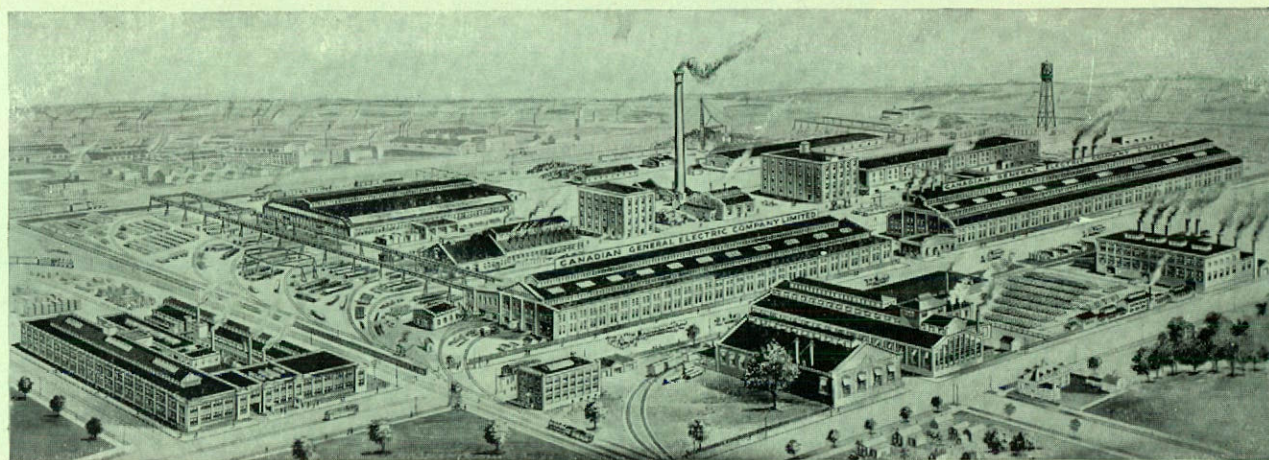
The inventories of Raw Material, Supplies, Work in Progress and Manufactured Products were taken in accordance with the Company's usual custom, and have been certified to by responsible officials. The valuations have been accurately made at cost or market value, whichever was lower.

Adequate provision has been made for doubtful Accounts Receivable, and for all ascertainable liabilities.

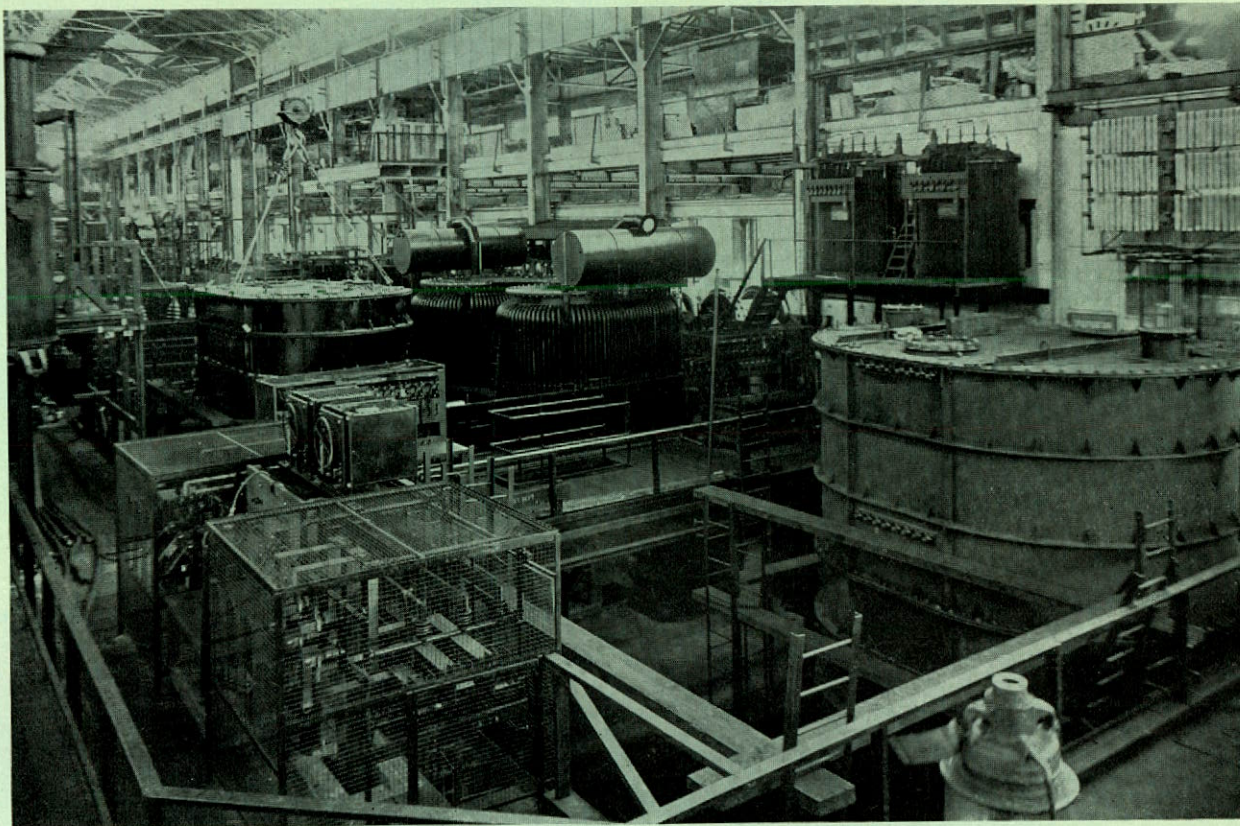
The Cash on hand, Investments and the Bank Balances have been verified by actual inspection or by properly certified statements.

We certify that in our opinion the attached Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given us, and as shown by the books of the Company.

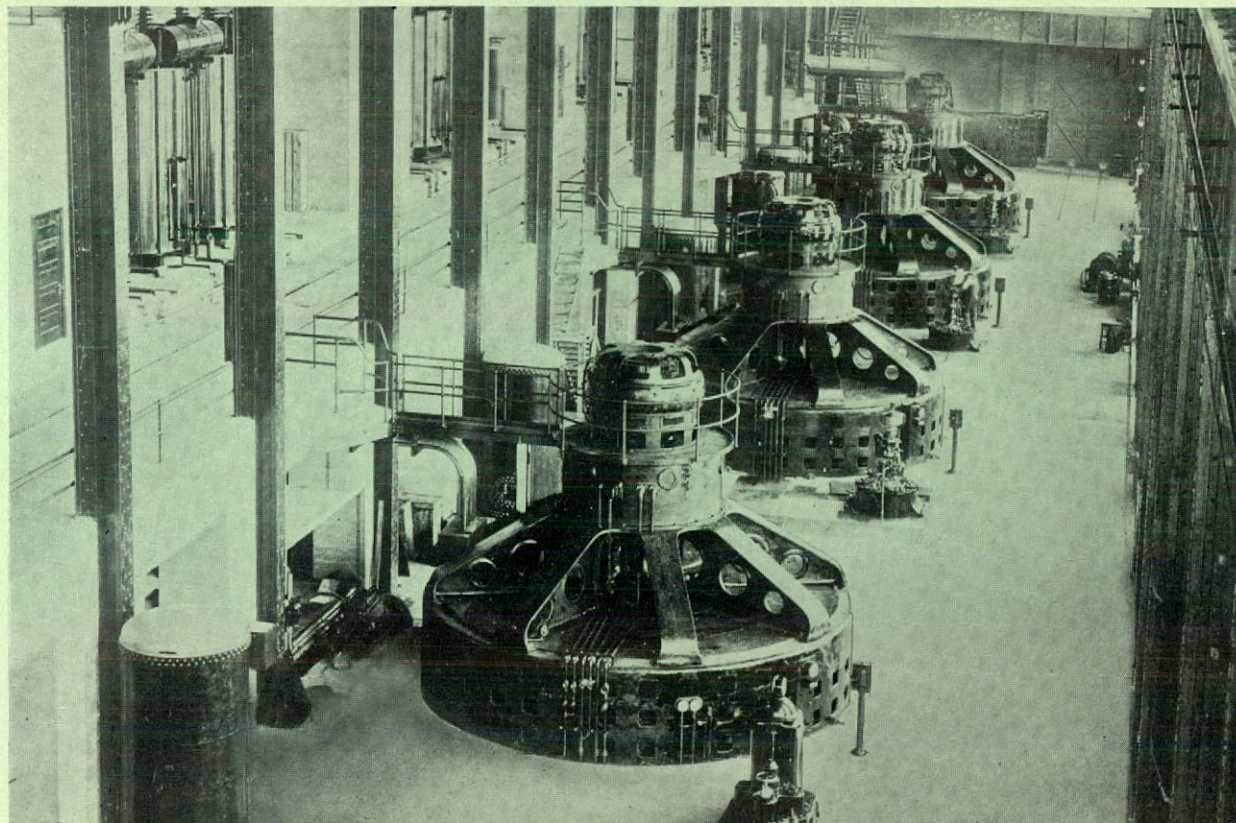
PRICE, WATERHOUSE & COMPANY,
Auditors.



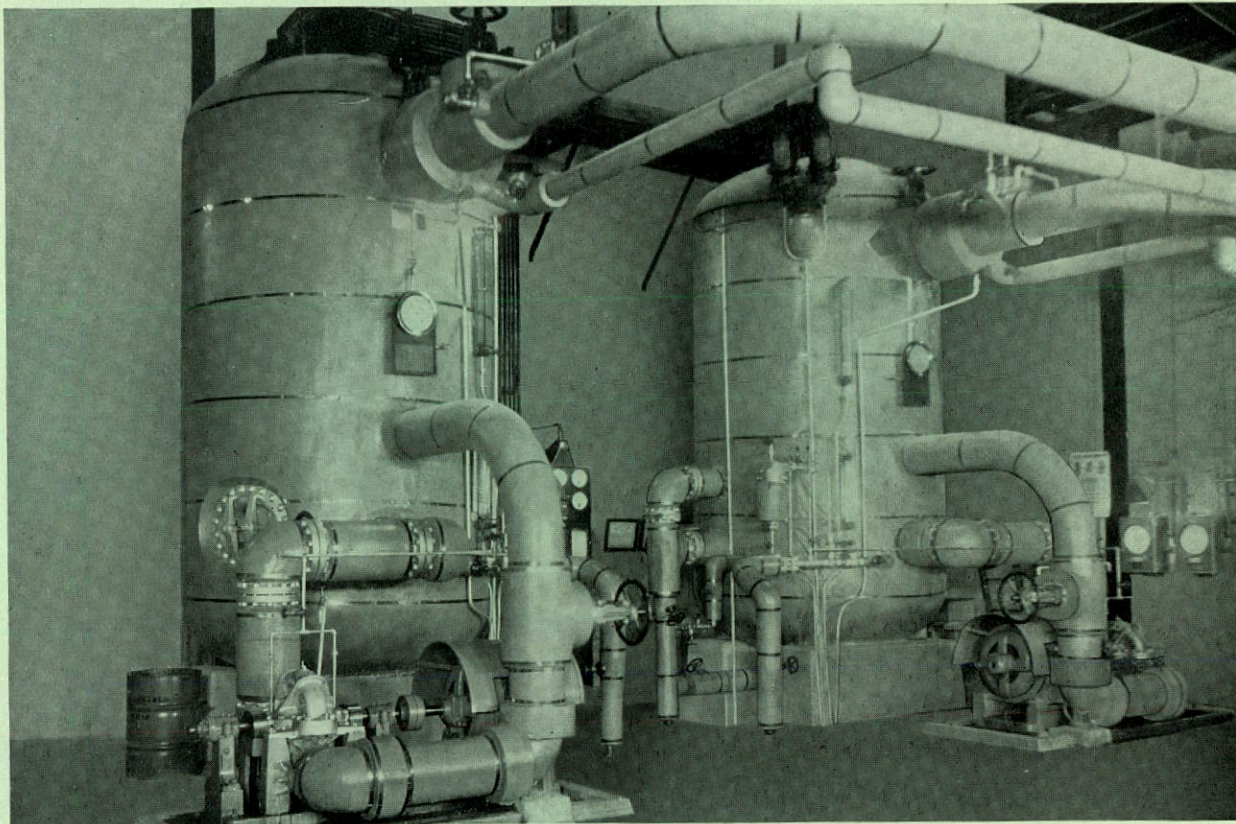
Davenport Electrical Works, Toronto, Ont.



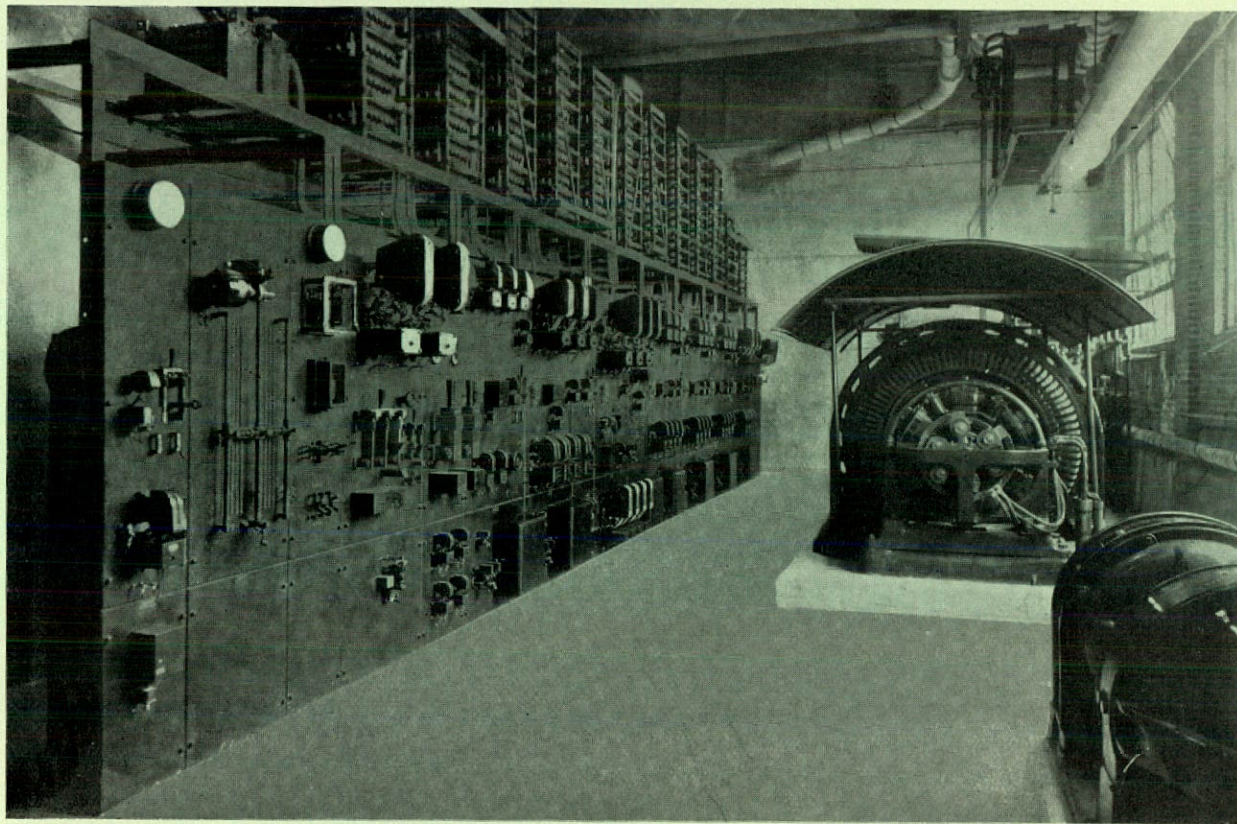
Section of Transformer Test Department at the Davenport Works of the Company



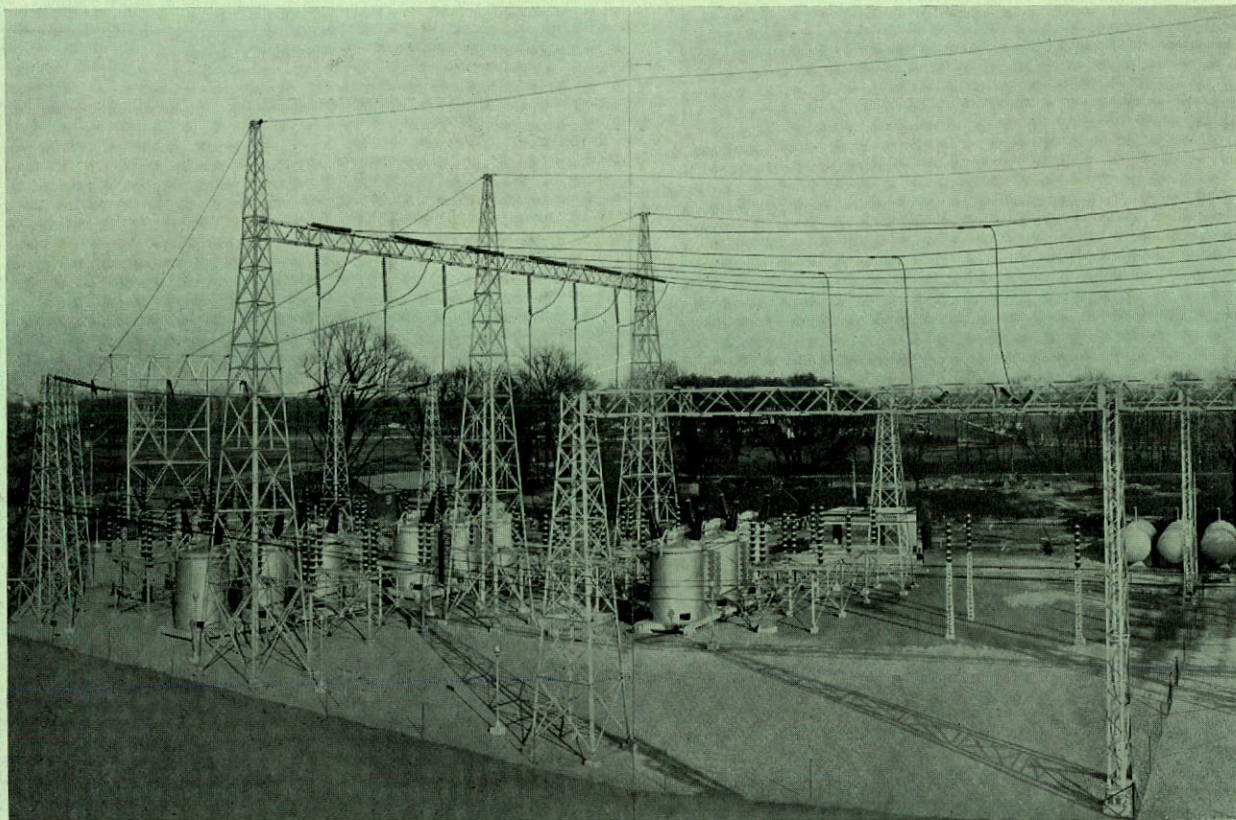
An Installation of Four 21,000 Kv-a., 11,000 Volt, Canadian General Electric Generators



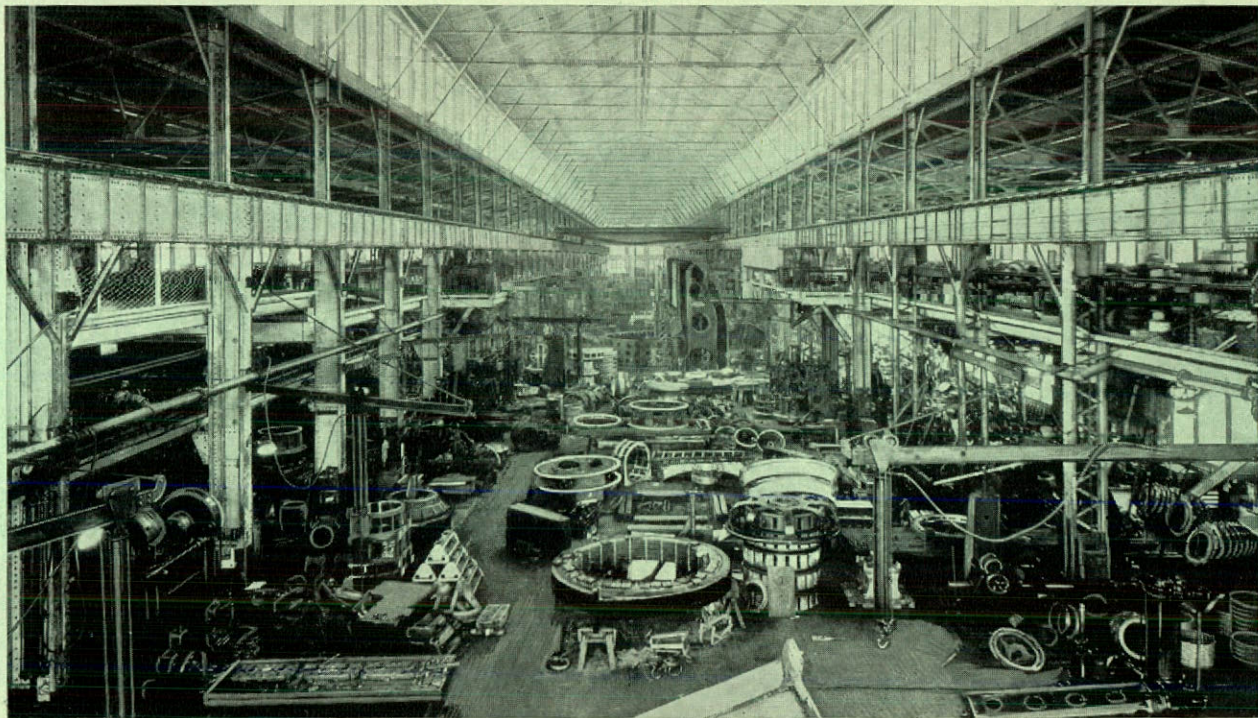
Two Canadian General Electric 10,000 Kw., 6,600 Volt, 275 lb. Pressure, Electric Steam Generators



Synchronous Motor Generator Set and One of Four Switchboards Controlling Large Paper Machines



An Installation of Canadian General Electric 220,000 Volt, Outdoor Oil Circuit Breakers;
Interrupting Capacity 2,500,000 Kv-a.



Main Machine Shop—Peterboro Works



Induction Motor Department—Peterboro Works

